



The Inspection Panel

THE WORLD BANK
IBRD • IDA | WORLD BANK GROUP

INSPECTION PANEL QUARTERLY NEWSLETTER

ACCOUNTABILITY MATTERS

APRIL 2017

Panel Member Vacancy

The appointment of Inspection Panel Member Zeinab Elbakri is due to end on August 31. In accordance with the procedures approved by the Board of Executive Directors, a Selection Committee has been convened to help determine her successor. The Selection Committee consists of Executive Director Otaviano Canuto, chairman of the Bank's Committee on Development Effectiveness; Merza Hasan, dean of the Board; World Bank Chief Executive Officer Kristalina Georgieva; and Sandie Okoro, Senior Vice President and General Counsel. The Selection Committee is expected to convene in May to review, short list and interview candidates, with a view to presenting the names of qualified candidates to World Bank Group President Jim Yong Kim for his nomination to the Executive Directors in June.

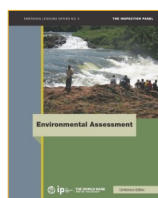
Gonzalo Castro de la Mata Re-elected as Panel Chairman

Members of the Inspection Panel have unanimously re-elected Gonzalo Castro de la Mata to serve as chairman of the Panel for another year beginning on November 1, 2017. Dr. Castro de la Mata first became chairman on November 1, 2014. He was appointed to the Panel in December 2013 for a non-renewable term of five years.

Staff Announcement

The Panel welcomed Laura Valli to its team as a senior operations officer. Laura will assist in responding to Requests for Inspection of Bank-funded projects through research, report writing and field-based fact finding.

PANEL RELEASES THIRD EMERGING LESSONS SERIES REPORT



The Inspection Panel on April 18 released the third report in its Emerging Lessons Series. The report, which identifies lessons from Panel cases related to environmental assessment (EA) issues, was released during the Spring Meetings of the World Bank Group (Bank) and the International Monetary Fund (IMF). Panel Member [Zeinab Elbakri](#) presented the main findings of the report at the event, which was moderated by World Bank Executive Director [Otaviano Canuto](#), chairman of the Bank's Committee on Development Effectiveness. Also taking part in the event were [Julia Bucknall](#), director for environment and natural resources at the World Bank; [Medha Patkar](#), an Indian social activist and founder of Narmada Bachao Andolan and the National Alliance of People's Movements; and Richard Fuggle, an emeritus professor of environmental studies at the University of Cape Town who has served as an expert consultant on Inspection Panel investigations.



Twenty nine of the 34 cases the Panel has investigated have involved environmental assessment issues. The Panel's EA report identifies seven lessons that can be learned from those cases, and reaches five major conclusions:

- The process of environmental assessment is important throughout the project cycle.
- Strong on-site supervision involving multidisciplinary expertise is crucial when problems are identified.
- Considering the social dimensions of a project is critical.
- It is not only projects identified as high-risk that have the potential to cause harm.
- Panel cases have positively influenced World Bank practices related to environmental assessment.



The Emerging Lessons Series is meant to build institutional knowledge at the World Bank, enhance accountability and contribute to more effective development. The first two reports, on lessons from cases involving involuntary resettlement and indigenous peoples, were released in 2016. The next report in the series – on cases related to consultation, participation and disclosure of information – will be released in the fall of 2017.

The [report](#) and a [video](#) of the April 18 event can be accessed on the Panel's [website](#).

OUTREACH



Panel Chairman Gonzalo Castro de la Mata on March 20 participated in the 18th annual World Bank Conference on Land and Poverty as part of a discussion titled, "Strengthening Governance and Community Rights for Indigenous Peoples." Chairman Castro de la Mata also explained the Panel's mandate and operations to attendees at the Civil Society Policy Forum Orientation on April 17 and to the 16th session of the UN Permanent Forum on Indigenous Issues on April 26. On April 7, Executive Secretary Dilek Barlas represented the Panel at sessions organized by the Independent Accountability Mechanisms of several development institutions at the annual meeting of the International Association for Impact Assessment in Montreal.



Bank Management Update — Action Plan Implementation

World Bank management in April released its latest report on the implementation of its action plans approved by the Bank's Board of Executive Directors in response to findings in Inspection Panel investigations. Management, as requested by the Committee on Development Effectiveness of the Board, has begun submitting these reports to the Board twice a year. The first two reports were released in April and December of 2016, respectively. In line with its Updated Operating Procedures and to promote transparency, the Panel publishes the [management updates on its website](#).

CASE DEVELOPMENTS

Kenya: Electricity Expansion Project (Management Action Plan Approved after Mediated Settlement)

The Bank's Board of Executive Directors on February 16 approved the Management Action Plan in the Kenya Electricity Expansion Project case. The Action Plan came in response to the findings of the Inspection Panel's July 2015 investigation report and followed a mediation process co-facilitated by the Complaints Mechanism of the European Investment Bank (EIB-CM) and the Bank's Grievance Redress Service (GRS). The project was funded by the World Bank and EIB among others, and the EIB-CM and the Panel conducted a joint investigation after receiving similar complaints about it. The complaints came from members of the Maasai indigenous community, which claimed harm as a result of resettlement of four villages. The Panel found noncompliance with Bank policies related to indigenous peoples and involuntary resettlement, and observed impoverishment among the most vulnerable people as a result of resettlement. In October 2015, the Board endorsed Bank management's participation, through its GRS, in the mediation process involving the affected community and the project implementing agency. It had asked Bank management to return to the Board to present the resulting Action Plan for approval. [More](#)



Uganda: Private Power Generation (Bujagali), Water Management and Development, and Energy for Rural Transformation Phase III Projects (Recommendation to Defer Investigation Decision Approved)

The Board on April 4 approved the Panel's recommendation to defer by up to 12 months its decision on whether an investigation is warranted into two projects regarding the Kalagala Offset Area (KOA) in Uganda. The Panel received a pair of complaints in 2016 related to the Private Power Generation (Bujagali) Project, the Water Management and Development Project, and the Energy for Rural Transformation Phase III Project. The Board supported the Panel's recommendation to defer its investigation decision relating to the water management and energy projects, but found that the Bujagali guarantee project was not eligible to be investigated because the project is closed. The Panel said the deferral would allow it to wait for the completion of an Environmental and Social Impact Assessment (ESIA) addendum being prepared by the Bank and any Bank follow-up actions before making its decision. The ESIA addendum is expected to be completed by mid-2017 and is intended to address the impacts of the Isimba Dam construction on the KOA and the resulting mitigation measures that might be needed. [More](#)

Kenya: Water and Sanitation Service Improvement Project and Additional Financing (Recommendation to Not Investigate Approved)

The Board on April 13 approved the Panel's recommendation to not investigate a complaint about the project and its additional financing. The Panel had received the complaint late last year from 47 residents of Murang'a County who claimed they could suffer harm as a result of the Bank's failures to apply its policies during the planning and implementation of the project. The complainants alleged that water diverted from rivers as part of the project would have an irreversible environmental impact and cause water shortages, leading to food insecurity and domestic water scarcity. They also expressed concern about a lack of disclosure about the environmental and social impacts of the project. As part of its due diligence, a Panel team visited Kenya from February 23-28, and met with the complainants, Bank staff, government and project officials, and members of the panel of experts. Based on information gathered during that visit and documentary evidence, the Panel recommended not to investigate the case. In its eligibility report to the Board, the Panel stated that management, throughout the course of project design and implementation, has recognized concerns of potential impacts, and that mitigation measures have been adopted or are underway. The Panel also noted that, as part of the implementing agency's communication campaign, the public will be informed how to check on the compensation flows during operation of the tunnel. [More](#)

Bangladesh: Bangladesh Modern Food Storage Facilities Project (Notice of Non-Registration)

The Panel issued a Notice of Non-Registration on March 13. It had received a complaint on December 8, 2016, from farmers in the project area who feared health, environmental and economic harm from the household grain-storage silos to be distributed under the project. In conducting its due diligence, the Panel learned that testing had been completed for the polypropylene copolymer (PPCP) prototype, a food-grade plastic to be used to manufacture the storage silos, and it was confirmed as safe for use as raw material in the silos. The Panel also noted that PPCP is accepted internationally as food-grade plastic, and was used in a previous Bank-financed project in Bangladesh. [More](#)

Vietnam: Livestock Competitiveness and Food Safety Project and Additional Financing (Notice of Non-Registration)

The Panel issued a Notice of Non-Registration on March 21. It had received a complaint on January 12 from two Vietnamese animal-protection organizations. The complainants claimed the project failed to consider the welfare of the farm animals housed by the livestock producers involved in the project, and also alleged a lack of consultation and access to information. The Panel held a video conference with the complainants to better understand their concerns and met with World Bank management. The Panel learned from management that the project does not directly support any production facilities, but rather focuses on capacity-building and training activities to improve animal health. The Panel highlighted the importance of animal welfare. However, after reviewing the information gathered through its due diligence and the information received from management, the Panel did not register the complaint given the absence of a currently applicable World Bank operational policy and procedure on animal welfare against which it could determine project compliance. [More](#)

About the Inspection Panel: The Board of Executive Directors created the Inspection Panel in 1993 to promote accountability and improve development results at the World Bank. The Panel is an independent complaints mechanism for people and communities who believe that they have been, or are likely to be, adversely affected by a World Bank-funded project and wish to seek redress.

CONTACT US: The Inspection Panel, 1818 H Street NW, The World Bank, Mail Stop: MC10-1007, Washington, D.C. 20433, U.S.A.
Tel: +1 202 458 5200, Fax: +1 202 522 0916, Email: ipanel@worldbank.org, Website: www.inspectionpanel.org

